

BEFORE THE TENNESSEE REGULATORY AUTHORITY

In the matter of the Application of)
Navigator Telecommunications, LLC.)
for a Certificate to Provide Competing)
Local Telecommunications Services)

Docket No. 99-00726

'99 NOV 1 AM 9 03

EXECUTIVE SECRETARY

**NAVIGATOR TELECOMMUNICATIONS, LLC.
RESPONSE TO OCTOBER 15, 1999 CLARIFICATION REQUESTS**

Navigator Telecommunications, LLC. ("Navigator") hereby provides the following Response to the Staff's Clarification Requests of October, 15, 1999:

Technical

1. Provide the following information concerning the network it proposes to provision in Tennessee:
 - (a) Geographic area proposed – i.e. Nashville, Memphis, Knoxville, entire state, etc.;
 - (b) Location of switches – i.e. cities;
 - (c) How the network will be deployed; and
 - (d) Type of equipment proposed – i.e. DMS-100 or 5ESS, etc. Fiber rings, etc.

Navigator initially intends to offer local service through the resale of bundled and unbundled ILEC services. Much of the technical expertise needed for installation, repair, maintenance, and delivery of the proposed local exchange services will be rendered by the applicable ILECs, and Navigator customers will experience no compromise in technical service quality standards.

Navigator may also construct or install its own facilities, where warranted, the selection of which will be based upon analysis of facility cost, suitability, and quality of service. Navigator currently has no permanent plan for constructing or installing facilities in Tennessee. At such time that Navigator creates a plan for construction or installation of facilities in Tennessee, Navigator will comply with any and all requirements and regulations of the TRA.

Navigator proposes to provide local exchange services initially through resale of ILEC services and facilities, and eventually through the use of facilities that Navigator will deploy, or through some combination thereof, in all areas throughout the State of Tennessee, except that services will not be offered or provided in exchanges governed by rural LEC's in cases where such LEC's have been granted a suspension from the obligations imposed by Sections 251 (b) and (c) of the Telecommunications Act of 1996. Navigator intends to provide services primarily in the existing service areas of ILECs, particularly BellSouth and Sprint.

(Technical, continued)

2. Address whether Tennessee customers will be required to purchase CPE which could not be used with ILEC systems, should the customer decide to go back to the ILEC.

Navigator will provide service in Tennessee initially by resale and through UNEs. Tennessee customers will not be required to purchase CPE which could not be used with ILEC systems.

Financial

1. Provide *projected* financial statements, including income statements, balance sheets, and cash flow statements for the next three (3) years.

Attached to this Response as "Exhibit A", and marked "Proprietary and Confidential" are a current balance sheet, income (profit and loss) statement, and statement of cash flow; Navigator does not currently have projected balance sheets or income statements for the next three years. Also included in Exhibit A, marked "Proprietary and Confidential", are Navigator's Business Plan Assumptions, including a 36-month projected cash flow.

2. Provide details of the funding for the proposed network, equipment purchases, or payment for UNEs such as:
 - (a) Internally generated funds (cash and marketable securities);
 - (b) Letters of credit;
 - (c) Loan commitments; and
 - (d) Vendor credit.

At this time, Navigator has no current plans for construction of a network or for purchasing of equipment for its Tennessee operations. Navigator will initially provide service in Tennessee through resale of bundled and unbundled ILEC services. Navigator is a certified competitive local exchange carrier and/or reseller currently operating in eleven states, and is authorized as a resold interexchange carrier in ten states, with applications for certification to provide both local and long-distance service pending in numerous additional states. As a competitive telecommunications services provider to consumers throughout the South and Midwest, Navigator possesses sufficient financial capacity and resources to provide the proposed Tennessee service for which it seeks authority.

3. Provide a three (3) year capital budget identifying the specific equipment that will be deployed, where it will be deployed, and its cost. This should cover Tennessee operations, as well as the parent company (or whoever is responsible for financing the Tennessee operation).

As indicated in previous responses, supra, Navigator has no current plans for the purchase or deployment of any equipment or facilities in Tennessee.

4. Provide information whether the financial statements reflect any amounts related to reciprocal compensation for terminating ISP traffic. If yes, quantify this amount.

No, the financial statements do not reflect any amounts related to reciprocal compensation for terminating ISP traffic.

Small and Minority-Owned Telecommunications Business Participation Plan

Attached to this Response as "Exhibit B" is Navigator's Small and Minority-Owned Telecommunications Business Participation Plan, pursuant to TCA §65-5-212.

TRA Rules for Telecommunications Provider

Attached to this Response as "Exhibit C" is Navigator's Certificate of Service that notice of Navigator's Application has been served on all eighteen (18) incumbent local exchange telephone companies in Tennessee.

Toll Dialing Parity Plan for Applicants Providing Voice Grade Services

Attached to this Response as "Exhibit D" is Navigator's Toll Dialing Parity Plan, as was previously filed in connection with Navigator's certification as a reseller in Tennessee, Docket No. 99-00412.

Miscellaneous

1. Notarized pre-filed testimony is attached to this Response as "Exhibit E", being the testimony of Louis F. McAlister, Jr., President and CEO of Navigator Telecommunications, LLC.
2. Navigator and all of its internal processes and systems have been evaluated and tested for Y2K compliance and are fully Y2K compliant. To the extent that Navigator must necessarily rely on the equipment and systems of the ILECs for the provisioning of

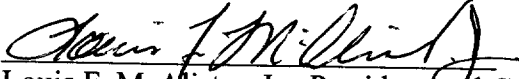
service, Navigator must also rely on those ILECs' statements of their own Y2K preparedness.

3. Navigator will file a tariff subsequent to the approval of its application.
4. Navigator is not involved with any mergers, acquisitions, etc. Navigator Telecommunications, LLC. is not a corporation, but is a limited liability company formed pursuant to the laws of the State of Arkansas, as described in Navigator's Application and the Exhibits thereto. Management of Navigator is vested in a management team, as described Exhibit A to Navigator's Application. Navigator does not have any affiliates, subsidiaries, or other similar relationships with other entities.
5. Upon granting of its certificate, Navigator will fully comply with the TRA's requirement for the filing of a Monthly Wireline Activity Report.
6. Navigator does not customarily collect deposits from customers. However, cash deposits may be required from a prospective customer, a presently disconnected customer, or a former customer for the purpose of guaranteeing final payment for service when, in Navigator's judgment, such deposit is necessary. Such deposit could be deemed necessary if, for example, the customer's creditworthiness cannot be established. Any such deposit shall not exceed the amount of an estimated bill for two regular billing periods or, in the case of a customer whose bills are payable in advance, it shall not exceed an estimated bill for one regular billing period, plus two months estimated toll. Navigator is not currently bonded for the amount of any deposits to be collected in Tennessee.

Respectfully submitted,

Navigator Telecommunications, LLC.

Dated: 10/27/99

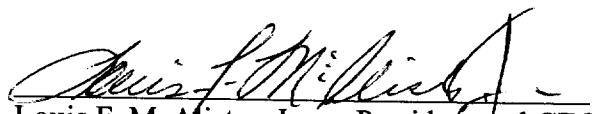

Louis F. McAllister, Jr. - President and CEO
Navigator Telecommunications, LLC.
212 Center Street, Suite 500
P.O. Box 8004
Little Rock, AR 72201
(501) 301-1600 Telephone
(501) 301-1602 Facsimile

VERIFICATION

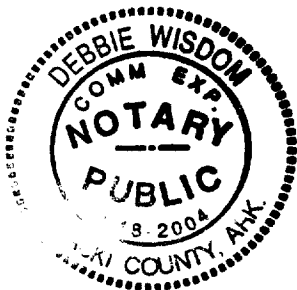
STATE OF ARKANSAS)
) ss.
COUNTY OF PULASKI)

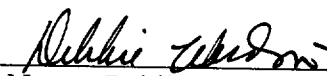
BEFORE ME, the undersigned Notary Public, personally appeared LOUIS F. McALISTER, JR., who, after being first duly sworn, deposed and said on oath:

That he is the person described in the Response to Clarification Requests made by applicant Navigator Telecommunications, LLC.; that he is the President and Chief Executive Officer of the applicant; that he has seen and reviewed the Response and all exhibits and attachments thereto, including financial statements and information, and has read same; that all allegations contained therein are true and correct to the best of his knowledge, information, and belief.


Louis F. McAlister, Jr., as President and CEO,
Navigator Telecommunications, LLC.

SWORN TO AND SUBSCRIBED before me, Notary, at my office in Little Rock,
Arkansas, this 27 day of October, 1999.




Notary Public, Pulaski County, Arkansas

My Commission Expires: 9-18-04

Docket No. 99-00726

**NAVIGATOR TELECOMMUNICATIONS, LLC.
RESPONSE TO OCTOBER 15, 1999 CLARIFICATION REQUESTS**

EXHIBIT B

Small and Minority-Owned Telecommunications Business Participation Plan

NAVIGATOR TELECOMMUNICATIONS, LLC.

SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN

Statement of Purpose

This small and minority-owned telecommunications business participation plan ("Plan") is submitted by Navigator Telecommunications, LLC. ("Navigator") pursuant to T.C.A. § 65-5-212, and evidences Navigator's intent, to the extent feasible, to purchase goods and services from small and minority-owned telecommunications businesses in connection with Navigator's provisioning of telecommunications services in the State of Tennessee.

Definitions

Navigator Telecommunications, LLC., is a limited liability company organized pursuant to, and by virtue of, the laws of the State of Arkansas. Navigator is based in Little Rock, Arkansas, and has no employees, property, or equipment in Tennessee at this time. Navigator is currently certified to provide resold local exchange and interexchange telecommunications services in Tennessee, and is seeking certification as a competitive local exchange carrier in Tennessee.

Small Business – a business with annual gross receipts of less than four million dollars, as provided in T.C.A. § 65-5-212.

Minority Business – a business that is solely owned, or at least fifty-one percent of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of such business and who is impeded from normal entry into the economic mainstream because of race, religion, sex, or national origin and such business has annual gross receipts of less than four million dollars, as provided in T.C.A. § 65-5-212.

Policy

As Navigator engages in the business of providing telecommunications services to consumers in Tennessee, Navigator intends to make all reasonable efforts to afford small and minority-owned telecommunications businesses the maximum practicable opportunity to do business with Navigator. Navigator will attempt to identify eligible small and minority-owned businesses as potential suppliers of goods and services, and will solicit offers, bids, or proposals from such businesses to supply goods and services to Navigator in connection with its Tennessee operations. This effort will be coordinated by Navigator's Plan Administrator, who will utilize resources such as those available through the Tennessee Department of Economic and Community Development.

Plan Administrator

This Plan will be administered by:

Hilgrove H. Gordon
1007 Waterview Place
Carolina Beach, NC 28428
(910) 458-4886

The responsibilities of the Plan Administrator with regard to Navigator's business operations in Tennessee shall include, in addition to the identification of qualified small and minority-owned businesses as potential suppliers, the following:

The development and maintenance of a list of eligible small and minority-owned telecommunications businesses

Efforts to include small and minority-owned telecommunications businesses in solicitations for products or services which they are capable of providing

Obtain available resources for identifying small and minority-owned telecommunications businesses interested in furnishing products or services to Navigator and to cultivate contacts and awareness with and among such businesses as to potential business opportunities with Navigator

To review Navigator's solicitations, policies, and procedures to ensure that small and minority-owned telecommunications businesses have an equitable opportunity to be awarded contracts when possible and that such processes do not inhibit competition from small and minority-owned businesses for contracts for goods and services

To serve as a resource for technical assistance and information as well as a reference for business opportunities for small and minority-owned telecommunications businesses

To maintain records of solicitations, contracts or awards, and other contacts and correspondence related to the implementation and administration of this Plan

To provide any required records or reports and to cooperate in any compliance reviews conducted by the Tennessee Regulatory Authority or other State agencies

To prepare and submit any required reports concerning Navigator's performance pursuant to this Plan or any updates to this Plan

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**NAVIGATOR TELECOMMUNICATIONS, LLC.
RESPONSE TO OCTOBER 15, 1999 CLARIFICATION REQUESTS**

EXHIBIT C

Certificate of Service that Notice of Navigator's Application has been served on ILECs

NOTICE OF FILING

Navigator Telecommunications, LLC. has filed an Application with the Tennessee Regulatory Authority for a Certificate of Public Convenience and Necessity to Provide Competing Local telecommunications Services. The undersigned hereby certifies that a copy of this notice has been served on the following persons via U.S. mail this 28th day of October, 1999:

Ardmore Telephone Company, Inc.
Terry Wales, General Manager
P.O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449

BellSouth Telecommunications, Inc.
Guy M. Hicks, General Counsel
333 Commerce Street
Nashville, TN 37201-3300

CenturyTel of Adamsville
CenturyTel of Claiborne
CenturyTel of Ooltewah-Collegedale
G. Clay Balley
Director of Regulatory Affairs
P.O. Box 4065
Monroe, LA 71211-4065

Citizens Telecommunications Company of Tennessee
Citizens Telecommunications Company of the Volunteer State
Mike Swatts
State Regulatory Director, South
P.O. Box 770
300 Bland Street
Bluefield, WV 24701

Loretto Telephone Company, Inc.
Louise Brown, President
P.O. Box 130
Loretto, TN 38469

Millington Telephone Company, Inc.
W. S. Howard, President
880 Navy Road
Millington, TN 38053

Sprint-United

Steve Parrett

Director – Regulatory Affairs

United Telephone-Southeast, Inc.

14111 Capital Boulevard

Wake Forrest, NC 27587-5900

Concord Telephone Exchange, Inc.

Humphreys County Telephone Company

Tellico Telephone Company

Tennessee Telephone Company

John D. Feehan

Manager External Relations

P.O. Box 22995

Knoxville, TN 37933-0995

Crockett Telephone Company, Inc.

People's Telephone Company, Inc.

West Tennessee Telephone Company, Inc.

Jim Wingo, General Manager

P.O. Box 7

Friendship, TN 38034

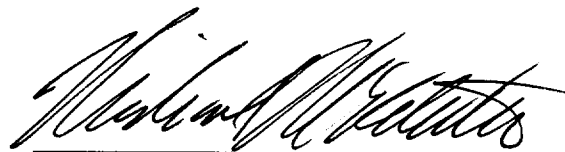
United Telephone Company

Herbert Bivens, General Manager

P.O. Box 38

120 Taylor Street

Chapel Hill, TN 37034

A handwritten signature in black ink, appearing to read "Michael McAlister", written over a horizontal line.

Michael McAlister

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**NAVIGATOR TELECOMMUNICATIONS, LLC.
RESPONSE TO OCTOBER 15, 1999 CLARIFICATION REQUESTS**

EXHIBIT D

Toll Dialing Parity Plan

Navigator Telecommunications, LLC.

IntraLATA Toll Dialing Parity Plan

Docket No. 99-00726

Navigator Telecommunications, LLC.

212 Center Street, Suite 500

P.O. Box 8004

Little Rock, Arkansas 72201

October 20, 1999

Navigator Telecommunications, LLC. ('Navigator') proposes the following Plan which, upon implementation, will allow customers to select the telecommunications carrier of their choice for routing their intraLATA toll calls.

1. Proposed Implementation Date

Navigator will implement the following Plan, pursuant to approval, upon the granting of its certificate to provide competing facilities-based local services in Tennessee.

2. Exchanges in which Toll Dialing Parity will be provided

Navigator, operating initially as a reseller of bundled and unbundled ILEC services, will offer intraLATA toll dialing parity in all exchanges within the State of Tennessee where the same is offered by the ILECs, including those exchanges served by BellSouth and within LATAs 468, 470, 472, 474, and those exchanges served by Sprint in LATA 956.

3. Methodology

Navigator, upon its certification, will implement a 2 PIC method. New customers will be informed that they may choose a Primary Interexchange Carrier for interLATA calls and a second Primary Interexchange Carrier for intraLATA calls. Customers may request a list of carriers from whom to select. Customers will have the option of selecting Navigator as their PIC, but will not be required to choose Navigator.

If a customer wishes to change either their interLATA or intraLATA PIC, they may notify Navigator and identify their chosen PIC. If the customer selects Navigator for either interLATA or intraLATA PIC, either a signed PIC authorization will be obtained and kept on file by Navigator or Navigator will utilize third-party verification. There may be a service charge associated with the order. Service charges will be no more than those charged by BellSouth or Sprint to their customers.

4. PIC not Automatically Assigned

New customers will not be required to choose Navigator as their PIC. Navigator will require a signed PIC Authorization from the customer, or third-party verification, before changing any customer's existing PIC to Navigator. If, at sign-up, a customer fails to select a PIC, the existing PIC or NO PIC is left in place. If there is a request for new service and no PIC authorization is given, then the assumption NO PIC is made.

5. PIC Method

Navigator will implement a 2 PIC method.

6. Customer Notification Procedures

New customers, at the time of subscription, will be asked to select an interLATA PIC and an intraLATA PIC, or to choose NO PIC. Navigator will not make recommendations of carriers and does not attempt to provide a list of all available carriers.

7. Cost Recovery Plan

As a reseller, Navigator does not intend to implement a cost recovery plan; the cost recovery amounts levied by the ILECs are passed on to the customer.

8. Associated LATA

Navigator will operate as a reseller of BellSouth and Sprint services in Tennessee. LATAs 468, 470, 472, 474, and 956.

9. Waiver of PIC Change Charge

Navigator, as a reseller, will pass along to customers any waivers provided by the ILECs, but will not offer any additional waiver periods. Any PIC Change charges levied by the ILECs are passed through to the customer.

10. Slamming

Navigator will comply with Tennessee Regulatory Authority Rules 1220-4-2-.56 and 1220-4-2-.58

11. Nondiscriminatory Access

Navigator will follow the guidelines established by the ILECs for resale customers as they relate to access of telephone numbers, operator assistance, directory assistance, and directory listings.

12. Compliance with Rules

Navigator will fully comply with all rules and regulations of the FCC and the TRA.

Docket No. 99-00726

**NAVIGATOR TELECOMMUNICATIONS, LLC.
RESPONSE TO OCTOBER 15, 1999 CLARIFICATION REQUESTS**

EXHIBIT E

Pre-filed Testimony of
Louis F. McAlister, Jr.
President and CEO
Navigator Telecommunications, LLC.

BEFORE THE TENNESSEE REGULATORY AUTHORITY

In the matter of the Application of)	
Navigator Telecommunications, LLC.)	Docket No. 99-0726
for a Certificate to Provide Competing)	
Local Telecommunications Services)	

**TESTIMONY OF
LOUIS F. McALISTER, JR.
ON BEHALF OF
NAVIGATOR TELECOMMUNICATIONS, LLC.**

October 8, 1999

I.
INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Louis F. McAlister, Jr. My business address is Navigator Telecommunications, LLC., 212 Center Street, Suite 500, Little Rock, Arkansas, 72201.

Q. WHAT IS YOUR POSITION WITH NAVIGATOR TELECOMMUNICATIONS, LLC.?

A. I am the President and Chief Executive Officer of Navigator Telecommunications, LLC. ("Navigator").

Q. WHAT ARE YOUR RESPONSIBILITIES AS PRESIDENT AND CEO?

A. As President and CEO of Navigator, I have the overall responsibility for corporate operations and financial management.

Q. PLEASE DESCRIBE YOUR PREVIOUS PROFESSIONAL EXPERIENCE AND EDUCATIONAL BACKGROUND.

A. I received a B.A. from the University of Arkansas and an M.S. in Telecommunications Management from the Polytechnic University of New York. I also attended the University of Arkansas School of Law and was an adjunct professor at the Washington University in St. Louis Graduate School of Engineering Policy and Management. During my 19-year career at Southwestern Bell Telephone ("SWBT"), I served in a wide variety of positions including engineering, operations, sales, customer service and marketing. At SWBT, I introduced several new services, systems enhancements and work process improvements that increased revenues and reduced costs. I spent three years at Bell Communications Research ("Bellcore") in Systems Design and Operations Strategic Planning. My team developed a business model for end-to-end service operations, administrations, maintenance and provisioning that is in use today in the regional Bell operating companies. In 1991, I joined Network Equipment Technologies ("N.E.T.") where I was instrumental in their worldwide sales and marketing success in the carrier market. I also helped develop marketing plans, collateral and sales compensation plans for the Carrier Sales group. I also recruited and hired many of the field sales and engineering personnel for the Carrier Sales effort. My clients included AT&T, SWBT, NYNEX and Sprint. I joined Sattel Communications in 1996 to organize a sales program targeting internet service providers ("ISPs") and competitive local exchange carriers

("CLECs"). This startup manufacturer of central office switches was a leader in the formation of the competitive local telecommunications market.

II.

PURPOSE AND SUMMARY

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. I submit this testimony on behalf of Navigator to demonstrate that Navigator's application for a license to provide competing local telecommunications service meets appropriate regulatory criteria and is in the public interest. I will also explain the services that Navigator proposes to offer in Tennessee and describe the geographic area that Navigator seeks to serve. I will demonstrate that Navigator possesses sufficient technical, financial, and managerial resources to provide local exchange telecommunications services within the State of Tennessee.

Q. PLEASE DESCRIBE THE AUTHORITY THAT NAVIGATOR SEEKS FROM THE TENNESSEE REGULATORY AUTHORITY.

A. Navigator seeks a certificate of public convenience and necessity to provide competing local exchange and exchange access telecommunications services. Navigator proposes to provide local exchange telecommunications services to both residential and business customers within the State of Tennessee.

Q. PLEASE DESCRIBE THE CORPORATE STRUCTURE OF NAVIGATOR.

A. Navigator is a privately held limited liability company formed under the laws of the State of Arkansas. Management of the company is vested in a management team pursuant to the Articles of Organization, a copy of which is attached to the Application as "Attachment B".

III.

FINANCIAL QUALIFICATIONS

Q. PLEASE DESCRIBE NAVIGATOR'S FINANCIAL QUALIFICATIONS.

A. Navigator has ample capital to provide the services for which authority is requested. A copy of Navigator's recent Balance Sheet and Income Statement were attached to the Application as "Attachment D". Navigator is currently certified to provide local telecommunications services to consumers in eleven states, including resold local service in Tennessee, with applications currently pending in several other states. Along with the provision of resold local service, Navigator has begun providing service using a

combination of its own facilities with the those of the ILECS', and utilizing unbundled network elements, in a growing number of its service areas. Navigator is also authorized to provide interexchange telecommunications in ten states, including Tennessee, with applications pending in several others. Navigator's financial condition provides Navigator with more than enough financial capability to serve its customers in all its areas of operation, including those proposed in this Application.

IV.

MANAGERIAL AND TECHNICAL QUALIFICATIONS

Q. PLEASE OUTLINE NAVIGATOR'S MANAGERIAL QUALIFICATIONS.

A. Navigator has the technical and managerial resources necessary to provide customers in the State of Tennessee with high-quality local exchange telecommunications services. Navigator's management team collectively has a wealth of experience and expertise, and has extensive training, in the telecommunications industry. "Attachment E" to the Application sets forth the backgrounds and experience of Navigator's management team.

Q. PLEASE DESCRIBE NAVIGATOR'S TECHNICAL QUALIFICATIONS.

A. Navigator has developed a managerial and technical team, which collectively has nearly 100 years of experience and expertise in the telecommunications industry. "Attachment E" to the Application sets forth the backgrounds and experience of Navigator's management team. In addition, Navigator intends to rely on the technical skills and expertise of its underlying carriers in Tennessee, specifically BellSouth. The experience and expertise of Navigator's managerial and technical team, combined with that of its underlying carriers, will provide customers in Tennessee with the highest quality telecommunications service available.

Q. PLEASE DESCRIBE NAVIGATOR'S HISTORY AS A PROVIDER OF LOCAL EXCHANGE SERVICE.

A. Navigator is currently certified to provide competitive local exchange telecommunications services on a facilities basis in Arkansas, Missouri, Kansas, Kentucky, Florida, Oklahoma, Michigan, North Carolina, and South Carolina, and on a resold basis in Texas and Tennessee, and is serving customers in those states. Applications for certification to provide local service are currently pending in Georgia, Indiana, Illinois, Alabama, and Mississippi.

V.

NAVIGATOR'S PROPOSED SERVICES

Q. PLEASE DESCRIBE THE TYPES OF SERVICES THAT NAVIGATOR WILL OFFER IN TENNESSEE.

A. Navigator is requesting authority to provide any and all telecommunications services legally permissible to local exchange providers using facilities to be owned or leased by Navigator. Such services may be sold to residential and business customers, and to other certified carriers. A detailed description of the proposed services will be contained in Navigator's tariff or price list, which Navigator will file before commencing service and as soon as practicable upon receiving a certificate. Navigator initially intends to offer basic local exchange telecommunications services on a resold basis in the areas currently served by BellSouth and Sprint/United, with implementation of facilities placement as customer demand, time, and resources allow. Navigator does not have current plans for immediate implementation or installation of facilities in Tennessee

Q. WHAT FACILITIES WILL NAVIGATOR USE TO PROVIDE ITS PROPOSED LOCAL EXCHANGE SERVICES?

A. As previously discussed, Navigator will initially provide service through the resale of services of other carriers. As necessary, Navigator will lease transmission and other facilities from BellSouth and other carriers.

Q. WHAT GEOGRAPHIC AREAS WILL NAVIGATOR SERVE?

A. Navigator seeks authority to provide competitive local exchange services in all of Tennessee where competition is allowed. Navigator intends to initially serve exchanges currently within the service areas of BellSouth and Sprint/United.

Q. WILL NAVIGATOR COMPLY WITH THE RULES OF THE TENNESSEE REGULATORY AUTHORITY?

A. Navigator agrees to abide by all applicable statutes and all applicable Orders, rules and regulations entered and adopted by the Tennessee Regulatory Authority.

VI.

PUBLIC INTEREST CONSIDERATIONS

Q. PLEASE DESCRIBE THE PUBLIC INTEREST BENEFITS ASSOCIATED WITH NAVIGATOR'S PROPOSED OFFERING OF TELECOMMUNICATIONS SERVICES IN TENNESSEE.


A. Approval of Navigator's application will further the public interest by expanding the availability to Tennessee consumers of technologically advanced telecommunications facilities and services. Navigator's network will utilize the state-of-the-art technology of the underlying carriers. Its presence in the market will afford consumers an additional choice of local service providers. The public will benefit both directly, through the use of the high-quality and reliable transmission services to be offered by Navigator, and indirectly because the presence of Navigator in the market will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Navigator will meet all service standards required by the Tennessee Regulatory Authority. The provisioning of services by Navigator will not adversely impact the availability of affordable local exchange service in Tennessee. Navigator will participate in the support of universally available telephone service at affordable rates, to the extent that it may be required to do so by the TRA. Approval of this application is therefore in the public interest because it will enhance further the service options available to Tennessee citizens.

VII.

CONCLUSION

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, it does.



Louis F. McAlister, Jr.

STATE OF ARKANSAS)

) ss.

ACKNOWLEDGMENT

COUNTY OF PULASKI)

On the 27 day of October, 1999, before me, the undersigned Notary Public, personally appeared LOUIS F. McALISTER, JR., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and who, after being first duly sworn, stated and deposed that:

He is the President and CEO of Navigator Telecommunications, LLC., and subscriber to the foregoing "Testimony of Louis F. McAlister, Jr. on Behalf of Navigator Telecommunications, LLC."; he has read same; and all allegations contained therein are true and correct to the best of his knowledge, information, and belief. He further acknowledged to me that he executed the same in his authorized capacity as President and CEO of Navigator Telecommunications, LLC., and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

My commission expires:

9-18-04

Debbie Wisdom

Notary Public

